



# OFFICE OF THE SHERIFF

COUNTY OF LOS ANGELES

HALL OF JUSTICE

JIM McDONNELL, SHERIFF



March 15, 2016

The Honorable Board of Supervisors  
County of Los Angeles  
383 Kenneth Hahn Hall of Administration  
Los Angeles, California 90012

Dear Supervisors:

**ADVANCE NOTIFICATION OF INTENT TO ENTER INTO NEGOTIATIONS FOR  
AN AMENDMENT TO SOLE SOURCE AGREEMENT NUMBER 76516  
WITH AUTOMED TECHNOLOGIES, INCORPORATED FOR EQUIPMENT  
MAINTENANCE, REPAIR AND SUPPORT SERVICES**

**SUBJECT**

This letter provides advance notification to the Board that the Los Angeles County (County) Sheriff's Department (Department) intends to enter into negotiations for an Amendment (Amendment) to Sole Source Agreement Number 76516 (Agreement) with Automated Technologies, Incorporated (Automated) for the continued equipment maintenance, repair, and support services (Services) for the Department's automated medication packaging machines (Machines), which will add approximately \$651,660 to the Maximum Contract Sum.

**PURPOSE**

The Amendment will extend the term of the Agreement for one-year with two one-year optional extension periods for the continued efficient and effective packaging of medications for delivery to inmates throughout the County jails. The Agreement expires on September 30, 2016.

**BACKGROUND**

Presently, the Department has over 9,000 inmates who have a need for medication on a daily basis. As a result, the dispensing of such large quantities of medications to

211 WEST TEMPLE STREET, LOS ANGELES, CALIFORNIA 90012

*A Tradition of Service*  
— Since 1850 —

patients is a massive undertaking. To achieve this goal, the Department's Medical Services Bureau (MSB) initially purchased three Fast Drum System (FDS) 330 Machines from Automed pursuant to a Purchase Order issued by the Internal Services Department in 2000. Since the initial purchase, the Department has purchased an additional six Machines for a total of nine, which are operating in the Department's Twin Towers Correctional Facility, Century Regional Detention Facility, Men's Central Jail, and North County Correctional Facility.

The individual Machines are capable of packaging up to 60 single-dose medications per minute, and up to 40 multiple-dose medications per minute. The Machines pack medications by inmate name, facility, module/room, bed, and dosage time. This enables the medical staff to have medications ready to dispense at the time of administration. Inmate-specific medical information is provided to the Machines through an interface with the Jail Health Information System (JHIS).

Since the initial purchase, the Machines have been upgraded from the FDS 330 to the FastPak EXP. The Machines reduce medication waste, as unused medications can be re-issued. The Machines eliminate errors in dispensing medications that could cause adverse reactions and expose the Department to unnecessary risk. The Automed platform is a pharmacy-based automated medication packaging system (System) that enables the Department to remain in compliance with California pharmacy laws.

The Services have been provided during the last seven years by Automed under the Agreement, which was approved by the Board on April 1, 2008; however, the Department has owned and operated Automed Machines for the last 15 years.

MSB is in the process of moving its operations to the Department of Health Services (DHS). During the Agreement extension period, DHS will analyze the various options for a System and make a recommendation to the Board on a future solution.

### **FISCAL IMPACT/FINANCING**

The proposed Amendment will extend the term of the Agreement for one-year, plus two one-year optional extension periods. The expenditures for these Services are estimated to be \$217,220 annually. Funding will be allocated in the Department's operating budget.

### **SOLE SOURCE JUSTIFICATION**

This Amendment is necessary to keep AutoMed Machines running efficiently. Automed's technology is designed to meet the high prescription-dispensing volume needs of the Department's MSB, which on average, dispenses over 90,000 active medication orders daily.

Due to the current transfer of MSB to DHS and the time needed to evaluate alternative solutions, it is in the County's best interest to continue to operate and maintain the current Automated System.

Automated service personnel, or any County-authorized subcontractor of Automated, are the only authorized representatives who can service the Machines. Automated does not train, certify, license, or otherwise endorse any third party to provide Services to their equipment.

The Chief Information Office and DHS have reviewed and concur with this Sole Source approach.

**CONCLUSION**

Pursuant to Board policy, the Department will proceed with Sole Source negotiations in four weeks, unless otherwise instructed by the Board.

Should additional information be requested, your staff may contact Manager Angelo Faiella, Contracts Unit, at (213) 229-3259.

Sincerely,

A handwritten signature in blue ink, appearing to read "Jim McNell", is written over a circular blue stamp.

JIM Mc NELL  
SHERIFF